



ANALYST

Offer Review and Counter Options

[Property address removed]

Prepared for (Client)

| Ashlee Croft, Exit First | September 30, 2026 | ANALYST

THE NUMBERS FIRST

Price is the headline. What you keep is the number that matters.

Three prices are on the table: the buyer's offer and two counters you can send back. The table below shows what each one actually puts in your pocket. Every total in this report is built the same way: **cash at closing**, plus **every monthly payment to you** until the balloon date, plus **the balloon you keep** after your ^{Lender} loan is paid off.

OFFER RECEIVED	COUNTER A: SUBJECT TO	COUNTER B: WRAP	SELL RETAIL TODAY
\$407,000	\$385,000	\$395,000	\$340K to \$370K

What you actually keep, step by step (counters shown at a 7 year balloon)

	Offer received	Counter A: Subject to	Counter B: Wrap	Sell retail today
Price	\$407,000	\$385,000	\$395,000	\$340,000 to \$369,900 (your list price)
1. Cash to you at closing	\$40,000	\$35,000	\$40,000	\$106,000 to \$134,000 after 7% selling costs and the \$209,967 ^{Lender} payoff
2. Buyer pays you each month	\$803 at 0% interest	\$579 (5% interest on a \$139,000 second note)	\$2,128 at 6%; a servicer sends \$2,005 of it to ^{Lender}	Nothing, you are done
You still pay ^{Lender} each month	\$1,242 (your principal and interest)	\$0, buyer took over the \$2,005	\$0, paid out of the buyer's payment	\$0
Net to you each month	Minus \$439	Plus \$579	Plus \$886	n/a
Monthly total over the term	Minus \$31,600 (72 months)	Plus \$48,650 (84 months)	Plus \$74,400 (84 months)	n/a
3. Balloon paid to you	\$309,176 at month 72	\$139,000 at month 84	\$318,220 at month 84	n/a
Minus ^{Lender} payoff that month	\$182,600	\$0, the buyer already took it over	\$177,200	n/a
Balloon you keep	\$126,500	\$139,000	\$141,000	n/a
Total you keep (1 + 2 + 3)	About \$135,000 over 6 years	About \$223,000 over 7 years	About \$255,000 over 7 years	\$106,000 to \$134,000 now
Worth in today's dollars (at 7%)	About \$97,000	About \$159,000	About \$185,000	\$106,000 to \$134,000

Buyer pays closing costs and commissions in all three. Totals assume the buyer makes every payment. "Today's dollars" discounts future payments at 7%, roughly today's mortgage rate, so a dollar seven years from now counts for less than a dollar at closing.

The one line that settles the offer

Selling at your \$369,900 list price nets about \$134,000 cash now. The \$407,000 offer keeps you about \$135,000, but spread over six years, with you paying ^{Lender} every month, and worth about \$97,000 in today's dollars. The headline price is higher. The money is not.

YOUR UPSIDE BY BALLOON LENGTH

What the balloon numbers mean

The balloon is the date the buyer must pay off the note, usually by refinancing or selling. The table shows the **total you keep over the whole deal** for each balloon length: cash at closing, plus every monthly payment to you up to that date, plus the balloon you keep after ^{Lender} is paid. It is not an annual figure and not a lump sum at the end. It is everything you receive from closing day through the balloon, added up.

Option and balloon	Cash at closing	Monthly to you x months	Balloon you keep	Total you keep	In today's dollars
Offer received, 0%, 6 years	\$40,000	Minus \$439 x 72 = minus \$31,600	\$126,500	\$135,000	\$97,000
A. Subject to, 5% second, 5 years	\$35,000	\$579 x 60 = \$34,750	\$139,000	\$209,000	\$162,000
A. Subject to, 5% second, 7 years	\$35,000	\$579 x 84 = \$48,650	\$139,000	\$223,000	\$159,000
A. Subject to, 5% second, 10 years	\$35,000	\$579 x 120 = \$69,500	\$139,000	\$244,000	\$154,000
B. Wrap at 5%, 5 years	\$40,000	\$663 x 60 = \$39,800	\$138,200	\$218,000	\$171,000
B. Wrap at 5%, 7 years	\$40,000	\$663 x 84 = \$55,700	\$135,000	\$231,000	\$167,000
B. Wrap at 5%, 10 years	\$40,000	\$663 x 120 = \$79,600	\$129,800	\$249,000	\$162,000
B. Wrap at 6%, 5 years	\$40,000	\$886 x 60 = \$53,200	\$142,500	\$236,000	\$185,000
B. Wrap at 6%, 7 years	\$40,000	\$886 x 84 = \$74,400	\$141,000	\$255,000	\$185,000
B. Wrap at 6%, 10 years	\$40,000	\$886 x 120 = \$106,300	\$138,100	\$284,000	\$185,000

Worked example, Counter A at 7 years

- Closing day: buyer hands you **\$35,000** and takes over the ^{Lender} payment. You stop paying ^{Lender}.
- Months 1 to 84: buyer pays you **\$579** every month, interest on your \$139,000 second note. 84 payments is **\$48,650**.
- Month 84: buyer refinances or sells and pays you the **\$139,000** note in full. ^{Lender} is their loan by then, so nothing comes out of your check.
- Total: \$35,000 + \$48,650 + \$139,000 = **\$222,650**. That is the "\$223,000" in the table.

How to read the balloon choice

- **Longer balloon, more total dollars**, because the buyer pays you interest for more months.
- **Longer balloon, slightly fewer today's dollars** on Counter A, because 5% interest is below the 7% you could earn elsewhere. On the wrap at 6%, today's value holds flat at about \$185,000 at any length.
- **The real reason to go longer is the buyer's ability to pay the balloon.** At year 7 the buyer owes about \$316,000 (Counter A: your \$139,000 plus ^{Lender}'s \$177,000 balance; Counter B: \$318,000 on the wrap). A bank will lend about 75% of value. If the duplex is worth \$360,000 to \$380,000 then, that is \$270,000 to \$285,000. The buyer cannot refinance the full balloon at 7 years. At 10 years the balance is about \$298,000 and the property has had three more years to appreciate, so the refinance works. A balloon the buyer cannot pay is a default risk for you, not a payday.
- **Our recommendation: 10 year balloon, or 7 years with two 12 month extensions at \$5,000 each.** Trade a little today's value for a balloon that actually gets paid.

Recommendation

Counter at \$385,000 subject to (Counter A): \$35,000 down, buyer takes over the ^{Lender} payment, you carry \$139,000 at 5% interest only, 10 year balloon. Total to you about \$244,000 with nothing out of your pocket in any month. Offer the wrap at \$395,000 (Counter B) as the alternative, opening at 6% and closable at 5%. Do not accept 0% interest at any price. You decide; this is the math behind it.

THE OFFER RECEIVED

What was offered, and why \$407,000 keeps you only \$135,000

The terms

- Purchase price \$407,000
- \$40,000 down, buyer pays closing costs and commissions
- You carry \$367,000 at \$803.12 per month, 38 year amortization
- Balloon of \$309,176 due at month 72
- 8 business day inspection, \$4,000 earnest money, 30 day close

What the terms mean

- \$367,000 divided by 457 months is \$803. **The interest rate is 0%.** The buyer uses \$367,000 of your money for six years and pays nothing for it.
- Your Lender loan stays in place. You keep paying \$1,242 in principal and interest while collecting \$803. You are out \$439 a month, about \$31,600 over the term.
- At today's 7.6% mortgage rates, a 0% note of this size is worth about \$250,000 in today's dollars. Add the \$40,000 down and the real offer is roughly **\$290,000**, below the county's own \$306,460 market value and below your \$340,000 to \$370,000 range.
- The buyer collects about \$2,700 a month in rent against an \$803 payment. Every dollar of that spread comes from your equity.

PLAIN TERMS

Subject to versus wrap

In both, the buyer takes the deed and your Lender loan stays in place in your name. The difference is who sends the payment to Lender and how you get paid for your equity.

A. Subject to, with a seller second

The buyer takes over your \$2,005 payment and sends it to Lender themselves. For your equity, you get \$35,000 cash at closing plus a second note of \$139,000 that the buyer pays you interest on until the balloon. Two notes: one to Lender, one to you. You are off the payment on day one.

Best if you want to be done with the property and not think about it.

B. Wrap, all inclusive note

The buyer signs one note to you for the whole \$355,000. A loan servicer collects the buyer's payment each month, sends \$2,005 to Lender, and sends you the rest. Your 5.25% loan sits inside the buyer's loan, and you keep the difference. At the balloon the buyer pays you off, Lender gets paid from that, and you keep the balance.

Best if you want the most money and are fine staying connected to the loan.

	A. Subject to	B. Wrap
Money to you each month	Interest on the second only	Spread between the wrap rate and your 5.25%. More dollars
Who gets the 5.25% rate	The buyer. That is why they will prefer this and why the second can carry a real rate	You. The buyer pays a blended rate, and pays it because they get one payment, one note, and a cleaner exit
If the buyer stops paying	Lender goes unpaid and you may learn late. You bring Lender current while you foreclose the second. The 3 month reserve exists for this	The servicer tells you the same day. You keep Lender current from banked spread and foreclose the wrap
Lender 's due on sale clause	Same in both. Low probability, high consequence: Lender could demand the \$210,000 balance. The 2023 LLC transfer already crossed this line and was not called. If it ever is, the buyer refinances. Your and Nicole's names stay on the loan either way	Same

THE COUNTERS

Two offers you can send back, and what to require

Counter A: Subject to (lead with this)

- Price \$385,000
- \$35,000 down, buyer pays closing costs and commissions
- Buyer takes over the Lender loan: \$209,967 at 5.25%, full \$2,005 payment
- You carry a \$139,000 second at 5% interest only, \$579 a month
- Balloon at 10 years (or 7 years with two 12 month extensions at \$5,000 each)
- If the buyer pushes on rate: 4% second only with the 10 year balloon
- Total to you about \$244,000 at 10 years. Nothing out of your pocket in any month

Counter B: Wrap (the alternative)

- Price \$395,000
- \$40,000 down, buyer pays closing costs and commissions
- \$355,000 wrap note, 30 year amortization. Open at 6% (\$2,128 a month); 5% (\$1,906) is the closable number at today's rents
- Servicer pays Lender \$2,005, sends you the rest: \$886 at 6%, \$663 at 5%
- Balloon at 10 years, or 7 with two extensions
- Total to you about \$284,000 at 6% or \$249,000 at 5%, both at 10 years

Require in either structure

- Third party loan servicer, buyer reimburses the cost. Taxes and insurance paid through it, you named on the policy. Buyer holds a 3 month payment reserve with the servicer
- Recorded deed of trust securing your note (Missouri handles default without a court case). Written acknowledgement by both sides of the Lender due on sale clause
- Earnest money \$10,000, non refundable after the 8 day inspection. Proof of funds for the full cash to close, about \$63,000 to \$68,000 including commissions, before inspection starts. No assignment without your consent
- Your attorney reviews the note and deed of trust before signing. Nicole signs; the Lender loan is in both of your names

Market, briefly

- [City] median sale \$333,556 (July 2026, up 1.1%), 42 days on market, 72 price cuts among 357 listings. Flat
- Closed duplexes: 501 to 505 SW 6th and 408 and 412 SW 6th, both \$360,000 in August 2026, both larger than yours. Supports \$340,000 to \$355,000; your \$369,900 list is the top of the range
- Rents: 2BR median \$1,325, up 5%. Renovated 2/2 units should bring \$1,350 to \$1,500. **Every buyer side number here assumes \$1,350. Confirm actual rents before sending anything.**
- 30 year fixed 7.60% today, investor loans 6.75% to 7.4%. A bank financed buyer cannot make this duplex cash flow at \$360,000, so only creative offers arrive. Your 5.25% loan is the most valuable thing in this deal

Your loan and property record

- Lender Mortgage, April 15, 2022, \$225,000 at 5.25%, matures May 2052, balance \$209,967. Payoff at a 5 year balloon about \$187,800, 7 year \$177,200, 10 year \$159,000
- Your \$2,005 payment is \$1,242 principal and interest plus \$763 escrow (county tax about \$398, insurance, and a shortage from the 2025 reassessment). Any buyer carries that \$763
- Jackson County parcel 36-320-04-10-00-0-00-000, 1,792 SF duplex built 1974 on 11,761 SF. County market value \$306,460. Owner of record DNJ LLC Series G since January 2023

Next steps

- Confirm current rents and the lease end date. Pull the Lender escrow analysis and insurance declarations page
- Decide A or B by how connected you want to stay, send the counter through your agent. Exit First prepares the term sheet and coordinates the file; you make every decision
- If the buyer needs 0% to make it work, it does not work. Retail at \$340,000 to \$369,900 nets \$106,000 to \$134,000 now with no risk

Ashlee Croft, Exit First | 480-466-0718 | ashlee@getexitfirst.com | getexitfirst.com. Sources: Jackson County Recorder of Deeds (Instr. 2022E0038142, 2023E0000363), Jackson County Property Information, Lender Mortgage account summary provided by client, Redfin, Movoto, Zumper, Coldwell Banker and Homes.com market data, Mortgage News Daily, DSCR Authority, all pulled September 30, 2026. Exit First is a trade name of Maximum Consulting Group LLC, an Arizona LLC. Ashlee Croft is a licensed Arizona real estate agent. Outside Arizona, Exit First provides coordination, analysis, and project management and does not act as a broker or agent. Opinion of value, not an appraisal. Not legal, tax, or investment advice. Not a lender; no guarantee of closing, funding, or profit. Totals assume the buyer performs. Buyer and seller to verify all information.